

Albania: CEZ financially destroyed DSO company claim Gov report

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The Czech company that managed CEZ for four years, left the Energy Distribution Company with a negative value. The government paid 95 million EUR to the Czech company to take it back. This sum is created because of the loans that the company has taken from donators or commercial banks, and also their obligations to satellite companies, like "CEZ Albania" and "CEZ Trade Albania".

The news was revealed by a government official in the report attached to the understanding agreement that our government signed with CEZ to end the conflict.

Although the government has not made public in this document the real commercial value of the distribution company, the fact that it has a negative balance shows how it has been managed in these four years by the Czech company.

When a company has a negative value, it means that all of its assets, if sold with market prices, do not cover what they owe to others. This mean that the energy distribution in Albania is bankrupt.

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The government says they have a package of investments with 200 million USD for the next four years that will be financed by the loans of donators such as the World Bank or other institutions, but the recovery of the bankrupt company will require an improvement of all indicators that were the reason why their capital went negative.